

Fiscal Note

Fiscal Services Division



HF 816 – Taxpayer Cell Phone Customer Match (LSB2511HV)
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Fiscal Note Version – New

Description

House File 816 allows the Department of Revenue to subpoena records of public and private utilities. The records that may be subpoenaed pertain to potential customers of the utility who may owe taxes, penalties, and interest to the State of Iowa.

For the Bill, public and private utilities include a cellular telephone company, internet provider, satellite television company, and public utility. Cable television is also included to the extent allowed under federal law.

The Bill states that the public or private utility may not be held liable for good faith and reasonable actions taken when complying with the subpoena.

The Bill is effective January 1, 2010.

Assumptions

- The Bill is effective January 1, 2010.
- The time required to review records, identify potential State debtors, notify the debtor, and collect the debt will exceed six months.

Fiscal Impact

The Department of Revenue estimates that a minimum of \$1.0 million per year will be collected from State debtors through the additional subpoena powers allowed under the Bill. The first fiscal year impacted is FY 2011.

Source

Department of Revenue

/s/ Holly M. Lyons

April 13, 2009

The fiscal note for this bill was prepared pursuant to **Joint Rule 17** and the correctional and minority impact statements were prepared pursuant to **Section 2.56, Code of Iowa**. Data used in developing this fiscal note, including correctional and minority impact information, is available from the Fiscal Services Division of the Legislative Services Agency upon request.
